

- agreement. **Murphy Family Farms** and **Grower** understand the intent of the **Contract**. Each party acknowledges, contracts and agrees with the other that each is an independent contractor, neither being an employee, agent, authorized, empowered, not directed to incur any liability, debt or other obligation on behalf of the other, not under the control of each other, except as provided herein as it relates to the activities **Grower** is obligated under this agreement. **Grower** hereby waives all claims of recovery and holds **Murphy** harmless for any losses, personal or real, caused by the **Grower's** management and utilization of livestock, equipment, and supplies provided by **Murphy**.
- M. **Grower** agrees to permit **Murphy** to check **Grower's** credit rating with his bank and other creditors and to provide credit information to **Murphy** upon request. **Grower** also agrees to properly execute a UCC Financing Statement(s) relating to **Murphy** pigs. Credit checks may be made at any time during the term of this **Contract**, which may include but not be limited to tax returns, financial statements and cash flows.
- N. **Grower** shall maintain the facilities, as well as the general area of the facilities in order to perform good animal husbandry practices as **Murphy** may specify through manuals or otherwise from time to time, including but not limited to; mowing grass and weeds; maintain acceptable rodent, insect and bird control measures and practices. This shall include but not be limited to acceptable methods of odor control and the installation of proper windbreaks.
- O. **Grower** shall provide and maintain sufficient security to limit and reduce problems associated with theft, fire, disease and loss of pigs. This shall include but not be limited to; locked entrance, gates to facility, locked buildings, security light and such other reasonable requests made by **Murphy**.
- P. **Grower** shall dispose of all dead animals in compliance with any and all State, Federal, and/or local laws and ordinances. **Grower** shall first try to dispose of dead animals through a rendering company. If rendering is unavailable and **Grower** buries said dead animals soil tests may be required to be consistent with sound environmental practices. In any event the dead animals shall be disposed of within 24 hours unless regulatory and statutory law should change and allow more time for disposal.
- Q. **Grower** shall maintain all service and/or access roads in a reasonable condition that will enable all service vehicles to operate upon said roadways and or service entrances without causing damage to said vehicles or causing them to be stuck or non-operable because of adverse road conditions. In the event any of said vehicles should require the services of a wrecker as a result of the deteriorated condition of any road or service area, **Grower** agrees to any and all such wrecker bills.
- R. In all cases, **Murphy** will determine the source and sex of the pigs to be placed.

### III. COMPENSATION

- A. The amount due to the **Grower** and owed by **Murphy** will be computed and paid quarterly according to an equal quarterly payment designed to provide a total annual payment of thirty-four thousand, five hundred dollars per **Murphy** 1100 facility (\$34,500/1100 facility). These quarterly payments shall be paid on the 15th day of the month providing that the **Grower** has provided **Murphy** with the required documentation in support of animals received, death loss, animals shipped, and feed used.